

PUBLIC SESSION MINUTES
North Carolina State Board of CPA Examiners
March 24, 2004
1101 Oberlin Road
Raleigh, NC 27605

MEMBERS ATTENDING: O. Charlie Chewning, Jr., CPA, President; R. Stanley Vaughan, CPA, Vice President; Leonard W. Jones, CPA, Secretary-Treasurer; Norwood G. Clark, Jr., CPA; Scott L. Cox, CPCU, CIC; Jordan C. Harris, Jr.; and Arthur M. Winstead, Jr., CPA.

STAFF ATTENDING: Robert N. Brooks, Executive Director; J. Michael Barham, CPA; Deputy Director; Lisa R. Hearne, Manager-Communications; Ann J. Hinkle, Manager-Professional Standards; Buck Winslow, Manager-Licensing; and Noel L. Allen, Legal Counsel.

GUESTS: James T. Ahler, Executive Director, NCACPA; Tom Chenoweth, CPA, Highland Publishing Company; Walter C. Davenport, CPA, Middle Atlantic Regional Director, NASBA; Curt Lee, Past President, NCSA; and Donna Salter, Director of Professional Development, NCACPA.

CALL TO ORDER: President Chewning called the meeting to order at 3:00 p.m.

MINUTES: The minutes of the February 23, 2004, meeting were approved as submitted.

FINANCIAL AND BUDGETARY ITEMS: The financial statements for February 2004 were accepted as submitted.

Following a review of the analysis of banking proposals, Messrs. Jones and Vaughan moved to accept staff recommendation to continue the Board's banking relationship with Branch Banking & Trust Company (BB&T). Motion passed. Mr. Cox did not participate in the discussion of this matter nor did he vote on this matter.

LEGISLATIVE AND RULE-MAKING ITEMS: Messrs. Clark and Vaughan moved to go forward with rule-making which will requires all licensees to complete, as part of the annual continuing professional education (CPE) requirement a minimum of two (2) hours of CPE on professional ethics and conduct. Motion passed.

NATIONAL ORGANIZATION ITEMS: Messrs. Chewning and Clark moved to approve the draft response to the AICPA's Exposure Draft.

Messrs. Vaughan and Winstead moved to nominate Walter C. Davenport, CPA, for Director-at-Large for the National Association of State Boards of Accountancy (NASBA). Motion passed.

REPORT OF THE PROFESSIONAL STANDARDS COMMITTEE: Mr. Vaughan moved and the Board approved the following recommendations of the Committee:

200212-071 - Tyrone Y. Cox - Approve the signed Consent Order (Appendix I)

200306-024 - Close the case without prejudice.

200310-047 - Close the case without prejudice.

200310-069 - Close the case without prejudice.

REPORT OF THE PROFESSIONAL EDUCATION AND APPLICATIONS COMMITTEE: Mr. Cox moved and the Board approved the following recommendations of the Committee:

Transfer of Grades Applications - The following were approved:

Thomas Marshall Ellison
Rhonda Kay Gibson

Kelly J. Sandquist
Linda M. Widman

Original Certificate Applications - The following were approved:

Lewis Daniel Akers Jr.
Catherine E. Barr
Julie Nell Bowers
James Derrick Bowman
Sarah Kathryn Burgin
Samuel Lear Campbell
Renee Evon Chase
Jill Wilson Clark
Suzanne Elizabeth Couch
Christopher D. Crepps
Thomas Marshall Ellison
Patricia Respass Fritz
Rhonda Kay Gibson
Heather Warren Godwin
Michelle Jacqueline Goode
Larry Richard Haas Jr.
Ryan David Haas
April Gaksins Haddock
Robert Jackson Walker Hawes
Kimberly Anne Hensley
Rena Keller
Amanda Goins Layne

Carmin Pollard Martin
Sandy Dawn Maybin
Kelly Keen McKinney
Keith Howell Merrick
Jeffery Paul Minor
Samantha Ann Morgan
Amy Karen Oland
Jaclyn Harrison Patterson
John Anthony Piana
Travis Graham Pope
Tammi Bass Proctor
Angela Owenby Reimels
Kelly J. Sandquist
Teresa Myra Shackelford
Jie Shao
Heather Stone Sherron
Cheryl Lee Shirland
Cynthia Ellen Tennill
Michelle A. Thompson
Karen Elizabeth Vassar
Stacie Rebecca Vines
Linda M. Widman

Reciprocal Certificate Applications - The following were approved:

Kimberly Bennett Bushnell
Lana Carpenter
Norman Mallone Chandler
Elizabeth K. Hartley
Kristina Marie King
Jefforie A. Kvilhaug
Eugene Edward Nicholas Jr.

Kevin Francis Reilly
Stephanie Lynn Roberts
Joseph F. Ryan
David Amarjit Seran
Monique D. Smith
Jeffrey Lyn Thomason
Miguel L. Torres

The Committee reviewed a reciprocal application from an individual with a District of Columbia (DC) certificate and no license or permit to practice public accounting. Pursuant to 21 NCAC 8H .0101(c)(1), the individual does not qualify for a reciprocal certificate. The rule states an "applicant for a reciprocal certificate shall meet the following requirements: (1) the applicant has the legal authority to use the CPA title and to practice public accountancy in a jurisdiction." The individual, as all previous reciprocal certificate applicants have, can apply for a license or permit in DC or apply for a reciprocal certificate with a license or permit from another jurisdiction. Staff recommended requiring a license from DC or another jurisdiction as required in the above-cited rule. The Committee approved staff recommendation

Temporary Permits - The following temporary permits were approved by the Executive Director and ratified by the Board:

Jane Cook Benson T03010
Genia Cox Harmon T03011
Stuart Gordon Woodhouse T03012
Gregory A. Downs T03013
Dimple Jain T03014
Rebecca K. Joseph T03015
Deborah Lynn Kaufman T03016

Diana Grace Krupica T03017
James W. Minter Jr. T03018
Thomas Walter Mitchell T03019
Alicia Paladin T03020
Brian Patrick Regan T03021
Leslie Fraser Staples T03022

Reinstatements - The following were approved:

Cecilia Hamilton Browne #25286
Sarah Partin Muller #14114

Mark Lee Palmer #14010
Ross Alan Perkinson #19805

Reissuance of New Certificate - Applications for reissuance of new certificate and consent agreement submitted by the individuals listed below were approved.

Brian Lanier Mattison #27797

Jeffrey Myers Stone #15611

Firm Registrations - The following professional corporations, professional limited liability companies, and limited liability partnerships were approved by the Executive Director and ratified by the Board:

Louis L. Crawley, CPA, PLLC
EASLEY, ENDRES, PARKHILL &
BRACKENDORFF, P.C.
STEVEN M. GAFFNEY, CPA, PLLC

GUNN & COMPANY, C.P.A., P.A.
William N. Keady, CPA, P.A.
Robinson & Chilcoat, LLP

Reclassifications - The Committee approved the following requests for retired status because the individuals are completely retired and do not receive any earned compensation for current personal services in any job whatsoever:

Kenneth A. Barlow #2525
Keith Edward Carpenter #4252

John Abe Neal #2536
Thomas James Pierce Jr. #11854

Extension Requests - The Committee approved the following individuals for extension for completion of CPE until the dates noted:

Roger Ronal Elmer Jr. #30146 - 6/30/04
Benjamin Franklin Gentry #7776 - 6/30/04

Sandra Yarnall #17580 - 4/30/04

The following extension requests were disapproved:

Mitchell Chandler Kane #15755
Hayne P. Lea #14420

Michelle Scott #28460
Donovan Blake Stanbery #25506

SQR Matters - The firm Douglas A. Hollowell P.C. reported the quality review less than 60 days after the deadline. Staff recommended a conditional license until March 24, 2005, pursuant to 21 NCAC 8J .0111(1) for all firm members. The Committee approved staff recommendation.

Examinations - The Committee reviewed and approved the following staff-approved applicants to sit for the CPA Examination:

Laura Michelle Abernathy
Rebecca Leigh Adams
Donna S. Allen
Angela Noble Amidon
Rodger Scott Apple
Michael A. Atieh
Kristy Robinson Babcock
Lori K. Bailey
John Eric Baker

Michael Linwood Ballard
Matthew T. Banko
Ryan Matthew Barnhart
Derek Albert Barto
Richard Gary Bauer
Lindsay Michelle Beamer
Robert A. Bennett
Marcia Helene Benz
Jenny Lee Berryhill

Robert D. Bibler
Carolyn Elizabeth Billick
Kenneth R. Biser
Andrew J. Bologna
Katherine French Bovard
Karen I. Boyles
Stuart Holmes Bracken
Kimberly O. Branch
Jaime L. Brown
Scott J. Burke
Jennifer Renee Burris
Yongmei Cai
Edric R. Carrington IV
Elizabeth Lancaster Carter
Yuliya Chayun
Patricia D. Cheek
Herman Chen
Mary V. Chilton
Carlos Enrique Choren
Nathan Alden Chrisawn
Brandy Bumgarner Cline
Carrie Katherine Cobaugh
Christopher M. Cobb
Christina Shields Cook
Wesley Allen Cook
Caroline B. Costin
Anthony P. Coston
Angela C. Crabb
Carla Corey Crawford
Michael Richard Cromie
Peter A. Cuneo
Brian Glenn Cusick
Amy Elizabeth Daniel
Dipak P. Dave
Sunita D. Dave
Carolyn Ann Davis
April Day
Angela Maria DePoy
Jeffrey S. Dudley
Kellie R. Earnhardt
Jennifer Lee Eddins
Jason Burton Edwards
John Clyde Ellis
Amy M. Essick

Bruce Alexander Farley
Christopher Robert Fielding
Jennifer M. Fisher
Raymond Foti Jr
Lori A. Frederick
Julia Eaker Gardner
Benjamin E. Geers
Ethan L. Gewolb
Daniel C. Gibbs
Kendra Ward Gillespie
Micaela K. Glenn
Jason Michael Glover
Ryan Curt Godfrey
Shawn Mitchell Graham
Benjamin Forsythe Gray
Chemerin M. Gregg
Feng Gu
Santina M. Guerra
Gretchen Edwards Hamm
Jarrod R. Hand
Vickie R. Hanner
Lisa C. Hardin
Jamie E. Harper
Melissa Moring Harris
Rebecca J. Harris
Christopher R. Harrison
Kevin Clayton Hatch
Zhihong He
Joseph E. Heatherly
Pamela P. Helton
Richard T. Hemphill
Sarah S. Henderson
Amy Renee Hendricks
Paula L. Hester
Eric M. Hinson
Chong Hyo Hong
Natalie Lane Huffman
Irene P. Hui
Christopher Len James
Lauren Quinn James
Juna R. John
William Edward Johnson
Arnold D. Jones Jr
Marvin B. Jordan

Rachel Marie Jordan
Deborah Ann Kassirer
Heidi Kinen
Zoey Sloane Kreuter
Jessica Harrell Lang
Ryan William Lenz
Melissa J. Linn
David Lee Little
Erica A. Little
Jeffrey T. Loftin
Ryan Jeremy Love
Lauren L. Lovelace
Xiaoran Lu
Jeffery W. Mason
Patrick K. Mativo
Joseph A. Mattioli Sr
Summer McCoy
Gary B. McGuffey
Thelma S. McGuire
Gretz Ginn Meads
Kimberly M. Miller
Daniel R. Monroe
Shawki K. Moore
Talise Young Morris
Ronnie Moshkowitz
Susan J. Mullen
Christina M. Murphy
John M. Mussomeli
Anne Nicole Napier
Alyssa Anna Nelson
Anthony R. Newton
Audrea Russo Norris
Todd Williams Nunn
Somi Leia Pak
Katie L. Parsons
Terrence Daron Peeples
Jennifer J. Phillips
Erin Renae Pilchick
Kimberly L. Pittard
Jennifer A. Pittman
Timothy Paul Pivovarnik
Lisa M. Rash
Teresa Reed
Justin Alexandra Reese

Nora Reid
Robert Hathaway Rhodes II
Jeffrey Glenn Richek
Kristin Rebekah Ritter
Hazel J. Ryon
Christopher Daniel Sanders
Brian Gregory Shaw
Mindy H. Shires
Michael D. Sieman
Leah A. Singleton
Tracie L. Singleton
Jacob M. Sizemore
Todd M. Slaby
David Lester Slack
Donna M. Sofsky
Dara L. Southard
James Linton Starling
Paul H. Stockamore
Kathleen Trueheart Storrs
Angela D. Taylor
Naimish P. Thaker
Cynthia Marie Thomas
Robert R. Thomas Jr
Richard C. Tirrell
Holly M. Turner
Catherine anne Vanatta
Jaime Lynn Volturno
Gloria D. Watkins
Jada Caroline Watkins
Marci Jennifer Wessels
Christopher Wayne West
Christopher David Wetzel
Billy R. Whitesides
Cormekki B. Whitley
John P. Williams
Mary Jane Y. Williams
Sheryl Lyna Williams
Matthew Jake Wolfe
Jeanne P. Womble
David Michael Woodworth
Michael E. Young
Manfred I. Zech
Feng Zhao

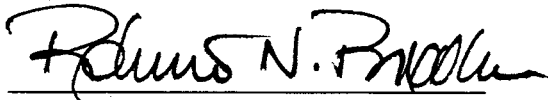
Initial exam candidate Gretchen E. Hamm requested time and a half for each section of the examination due to a learning disorder. The Committee approved her request.

EXECUTIVE DIRECTOR AND LEGAL COUNSEL REPORT: Mr. Vaughan moved and Mr. Cox seconded the nomination of Norwood G. Clark, Jr., CPA, for President; Leonard W. Jones, CPA, for Vice President; and Arthur M. Winstead, Jr., CPA, for Secretary-Treasurer. The motion passed with seven (7) affirmative votes and zero (0) negative votes.

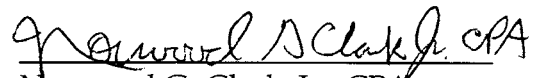
ADJOURNMENT: Messrs. Jones and Cox moved to adjourn the meeting at 4:35 p.m. Motion passed.

Respectfully submitted:

Attested to by:



Robert N. Brooks
Executive Director



Norwood G. Clark, Jr., CPA
President

NORTH CAROLINA
WAKE COUNTY

BEFORE THE NORTH CAROLINA STATE BOARD OF
CERTIFIED PUBLIC ACCOUNTANT EXAMINERS
CASE #: 200212-071

IN THE MATTER OF:
Tyrone Y. Cox, #28242
Respondent

CONSENT ORDER

THIS CAUSE, coming before the Board at its offices at 1101 Oberlin Road, Raleigh, Wake County, North Carolina, with a quorum present. Pursuant to NCGS 150B-41 and 150B-22, the Board and Respondent stipulate the following Findings:

1. Respondent Tyrone Y. Cox (hereafter "Respondent") is the holder of North Carolina certificate number 28242 as a Certified Public Accountant.
2. In November 2001, a non-profit company contacted the Respondent's firm regarding the possibility of conducting an audit of the non-profit company.
3. Prior to accepting the engagement, Respondent's firm (Cox Gibbs & Thomas CPAs, PLLC) performed, and documented, an assessment for the purpose of determining independence with respect to the non-profit company ("Independence Assessment").
4. The Independence Assessment included, but was not limited to, independence guidance contained in Practitioner's Publishing Company, Guide to Non-Profit Audits.
5. Respondent's firm completed the audit in March of 2002. In response to a Board inquiry regarding the audit, Respondent's firm provided the Board with a copy of its Independence Assessment.
6. The Board acknowledges that Respondent recognized the possibility of an independence question and that Respondent made efforts to address that question.
7. Respondent contends that he did not intentionally violate any statutes or rules regarding independence.
8. Respondent wishes to resolve this matter by consent and agree that the Board staff and counsel may discuss this Order with the Board *ex parte*, whether or not the Board accepts this Order as written.

Consent Order - 2
Tyrone Y. Cox

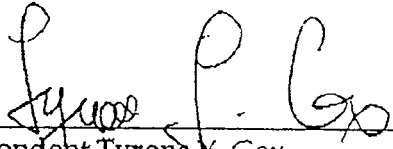
BASED upon the foregoing, the Board makes the following Conclusions of Law:

1. Respondent is subject to the provisions of Chapter 93 of the North Carolina General Statutes (NCGS) and Title 21, Chapter 8 of the North Carolina Administrative Code (NCAC), including the Rules of Professional Ethics and Conduct promulgated and adopted therein by the Board.
2. The Board has concluded that Respondent's actions, as set out above, constitute violations of NCGS 93-12 (9)e and 21 NCAC 8N .0402 (a) and (c).

BASED on the foregoing and in lieu of further proceedings under 21 NCAC Chapter 8C, the Board and Respondent agree to the following Order:

1. Respondent shall receive an unpublished reprimand.
2. Within one hundred eighty (180) days of the date this Order is approved by the Board, Respondent must complete and provide verification of the completion of the Ethics Principles and Professional Responsibilities course as offered by the North Carolina Associations of Certified Public Accountants. Said course may not be used by Respondent to meet his annual forty (40) hour requirements. If Respondent fails to fulfill this education requirement, the Board may proceed against Respondent for failure to complete said requirement.

CONSENTED TO THIS THE 10th DAY OF February, 2004.

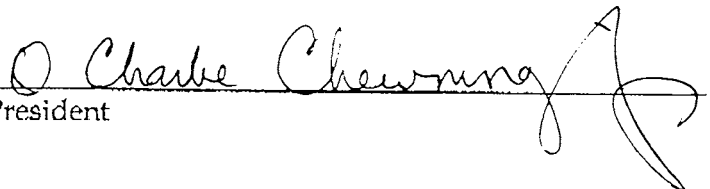


Respondent Tyrone Y. Cox

APPROVED BY THE BOARD THIS THE 24th DAY OF March, 2004.

NORTH CAROLINA STATE BOARD OF CERTIFIED
PUBLIC ACCOUNTANT EXAMINERS

BOARD
SEAL

BY: 

President